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## Current Support Brief

SATELLITE SELF-SUFFICIENCY IN RUBBER  
INCREASED BY NEW PLANT IN CZECHOSLOVAKIA



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SATELLITE SELF-SUFFICIENCY IN RUBBER  
INCREASED BY NEW PLANT IN CZECHOSLOVAKIA

On 31 August 1963 the Czechoslovak press announced the start in production of synthetic rubber at the new Kaucuk Chemical Plant in Kralupy nad Vltavou north of Prague. In July the plant had begun production of styrene and butadiene, the main chemical intermediates necessary to produce styrene-butadiene synthetic rubber. 1/ The capacity of the new plant reportedly is to be sufficient to cover half of Czechoslovakia's needs and, judging by similar plants in Poland and Rumania, may be as much as 50,000 tons\* per year. 2/ The Kaucuk plant is the first installation in Czechoslovakia for production of synthetic rubber in commercial quantities and constitutes an important step in implementing the long-expressed intention of the Soviet Bloc to substitute domestically produced synthetic rubber for imported natural rubber.

1. Significance of the New Plant

The beginning of production of synthetic rubber at Kralupy nad Vltavou marks a noteworthy stage in the effort of the European Satellite countries to become self-sufficient in the supply of rubber. As recently as 9 July 1963 a protocol was signed at the conclusion of a meeting of the Working Group for the Rubber Industry of the Council for Mutual Economic Assistance (CEMA) reaffirming the intent of the Soviet Bloc to increase the use of synthetic rubber in place of natural rubber. 3/ Since 1958, annual imports of natural rubber by the Satellites have ranged from about 107,000 tons to about 147,000 tons, and annual production of synthetic rubber has risen from about 86,000 tons to about 125,000 tons (see Tables 1 and 2). When Rumania and Bulgaria also begin production (as planned for 1963 and 1965-67, respectively 4/), the European Satellites will have a total capacity for production of 285,000 tons of synthetic rubber per year. In view of efforts by all

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\* Tonnages are given in metric tons throughout this publication.

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Satellite countries to increase output of rubber products, however, the primary short-run effect of the greater capacity probably will be to obviate the necessity of increasing imports of natural rubber by appreciable quantities.

In addition to increasing the Bloc synthetic rubber capacity, the Kaucuk plant is an installation of considerable significance to Czechoslovakia itself. Although the possessor of a large rubber products industry, Czechoslovakia has depended almost completely on imports for the necessary supply of rubber. Because of general economic difficulties, however, imports of natural rubber in 1962 were cut almost 40,000 tons from the previous high of 62,400 tons in 1960. 5/ Full-scale production of the Kaucuk plant and a new chloroprene plant under construction at Sal'a nad Vahom, originally planned to have a combined output of 55,000 tons by 1965, 6/ will thus improve greatly the domestic supply situation. Nevertheless, achievement of the goal for 1965 will not satisfy completely the Czechoslovak demand for rubber of all types, which reached 61,000 tons as early as 1958. 7/

2. Plans for Additional Facilities

Czechoslovak plans for production of synthetic rubber go beyond the start of operations at both Kralupy nad Vltavou and Sal'a nad Vahom. The initial process in use at the Kaucuk plant is the now obsolete Soviet Lebedev method, but later, after completion of a second stage of construction, production is to be based on a more advanced process whereby the butadiene is obtained directly from butane. 8/ Czechoslovakia is now seeking a plant incorporating this process and having an annual capacity of 30,000 tons from US and other non-Bloc firms. In addition, a plant with an annual production capacity of 30,000 tons of polybutadiene, an advanced type of synthetic rubber with properties approximating those of natural rubber, also is being sought from the West. 9/

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Table 1

European Satellites: Imports of Natural Rubber a/  
1958-62

Thousand Metric Tons					
Country	<u>1958</u>	<u>1959</u>	<u>1960</u>	<u>1961</u>	<u>1962</u>
Bulgaria	5.8	6.0	5.3	2.6	4.1
Czechoslovakia	48.5	42.4	62.4	57.4	22.9
East Germany <u>b/</u>	17.0	15.5	23.0	23.9	23.5
Hungary	10.5	9.0	10.1	11.2	12.2
Poland	32.0	32.3	34.5	41.7	33.5
Rumania	5.3	6.3	9.3	9.8	10.5
Total	<u>119.2</u>	<u>111.5</u>	<u>144.6</u>	<u>146.6</u>	<u>106.6</u>

a. Unless otherwise indicated, data are from source 10/. Because of rounding, components may not add to the totals shown.

b. 11/

Table 2

European Satellites: Production of Synthetic Rubber  
1958-62

Thousand Metric Tons					
Country	<u>1958</u>	<u>1959</u>	<u>1960</u>	<u>1961</u>	<u>1962</u>
Czechoslovakia <u>a/</u>	0.9	1.0	1.0	1.0	1.0
East Germany <u>b/</u>	85.0	86.3	86.8	89.9	90.5
Poland <u>c/</u>	0	5.0	20.2	31.0	33.3
Total	<u>85.9</u>	<u>92.3</u>	<u>108.0</u>	<u>121.9</u>	<u>124.8</u>

a. 12/

b. 13/

c. 14/

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